

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice PL-257**

**For:** State and County Offices

**FY 2014 Subsidiary Rollover**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Each year in mid-September, subsidiary and farm record rollover processing occurs to create records for the next FY.

The FY 2014 rollover process for subsidiary and farm records data will occur no earlier than September 27, 2013.

Notice PL-255 advised State and County Offices that:

- as of April 19, 2013, County Offices are no longer required to maintain data in the entity and joint operation files on System 36 except for producers participating in a program that continues to be administered and paid using System 36 software
- data recorded in System 36 entity and joint operation files will continue to be uploaded to the mainframe, but the data will **not** transfer to the Business File application after April 16, 2013.

**B Purpose**

This notice:

- advises State and County Offices that FY 2014 rollover is scheduled to begin after **September 26, 2013**
- provides the FY 2014 rollover schedule
- instructs County Offices to ensure that any modifications to web-based and System 36 subsidiary file records are completed immediately
- specifies how data is rolled from FY 2013 to FY 2014.

Disposal Date	Distribution
January 1, 2014	State Offices; State Offices relay to County Offices

## Notice PL-257

### 2 FY 2014 Rollover Schedule

#### A Schedule

The following provides the information for the FY 2014 rollover process.

Date	Action
September 20, 2013	County Offices shall have all necessary System 36 updates completed so the data has time to upload to the mainframe in Kansas City before rollover processing begins.
September 27, 2013	County Offices shall have all updates for web-based applications completed.
September 27, 2013, 8 p.m. c.t.	Access to the web-based subsidiary records is disabled. Web-based rollover processing is performed.
September 30, 2013	Access to web-based subsidiary records should be restored unless problems are encountered with the rollover process.  <b>Note:</b> Although web-based applications are available, County Offices shall <b>not</b> update subsidiary records until rollover is also completed on System 36 for the county. Some data from web applications is downloaded to System 36 so it is important that both systems be rolled to FY 2014 <b>before</b> County Offices resume updating subsidiary data.  System 36 software is transmitted to County Offices for System 36 rollover processing. County Offices shall install the software as soon as possible.  After the rollover process is complete, County Offices can continue to update System 36 files as needed.

#### B Availability of Data After Rollover is Completed

The following provides a summary of the information that can be updated in the web-based and System 36 applications after rollover is complete.

Process	2014	2013	2012	2011	2010	2009 and Prior Years
Web-Based Applications						
Eligibility	✓	✓	✓	✓	✓	1999-2009
Business File Application	✓	✓	✓	✓	✓	2009 only
Combined Producer System	✓	✓	✓	✓	✓	2008 and 2009 only
Payment Limitation Application for Allocations and Adjustments	✓	✓	✓	✓	✓	2009 only
SCIMS Business Type	County Offices can update.	Authorized State Office users have the ability to update 2013 and prior year business types.				
System 36-Based Applications						
Joint Operation/Entity File	✓	✓	✓	✓	✓	
Payment Limitation for Multi-County Allocations	✓	✓	✓			

### 3 Rollover for Web-Based Software Applications

#### A Introduction

With the deployment of the Business File application, the source of all subsidiary data being rolled to FY 2014 comes from data updated in the web-based environment, including the following:

- eligibility certifications and determinations
- combined attribution and “person” combinations
- payment limitation allocations for combined producers
- farm operating plan information recorded in the Business File application.

This paragraph provides information for updating web-based data for FY 2014 rollover.

#### B SCIMS Updates

Any updates to the 2013 business type for a customer should be completed **before September 20, 2013**. The 2013 business type in SCIMS will be downloaded to System 36.

**Reminder:** County Offices shall follow 1-CM, paragraph 196 for updating business types.

After rollover, County Offices will:

- only be able to access and change a business type for the current year (2014) in SCIMS
- not be able to change or correct any prior year business types in SCIMS.

**Note:** County Offices are **required** to submit all business type changes for prior years to their designated State Office employee.

#### C Eligibility System Rollover Information

Information in the Subsidiary Eligibility system is rolled to the new subsidiary year based on whether the certification/determination is continuous. County Offices shall ensure that all subsidiary eligibility updates for certifications filed and determinations completed for FY 2013 are updated in the system immediately.

**Reminder:** CRP and DCP/ACRE prepayment reports shall be used to identify producers that may have filed forms or need determinations completed to receive payments that will be issued beginning October 1, 2013.

### 3 Rollover for Web-Based Software Applications (Continued)

#### C Eligibility System Rollover Information (Continued)

The following eligibility certifications/determinations are rolled to the next subsidiary year based on the data recorded in the Eligibility System when rollover is initiated.

Eligibility Field	Is the certification/ determination continuous?	Is the 2013 value rolled to 2014?
Foreign Person	Yes	Yes
Actively Engaged	Yes	Yes
Cash Rent Tenant	Yes	Yes
AD-1026	Yes	Yes
Delinquent Debt		Yes
Socially Disadvantaged Farmer or Rancher:	Yes	Yes
<ul style="list-style-type: none"> <li>includes Racial, Ethnic, and Gender</li> <li>includes Racial and Ethnic, but <b>not</b> Gender.</li> </ul>		
Beginning Farmer or Rancher	No	No
Limited Resource-Farmer or Rancher	No	No
FCI	Yes	Yes
Person Eligibility - 2002 Farm Bill	Yes	Yes
Actively Engaged - 2002 Farm Bill	Yes	Yes
Permitted Entity - 2002 Farm Bill	Yes	Yes
AGI - 2002 Farm Bill	No	No

The conservation compliance values are determined based on information recorded in the Farm Records Management System. The information for the producer is summarized to the producer-level in the Eligibility System based on the following.

Determination	How FY 2014 Values Are Set		
HELC	Same as FY 2013.		
Planted Converted Wetland (PCW)	Same as FY 2013.  <b>Exception:</b> If FY 2013 value is "Not Compliant" or "Good Faith", FY 2014 value will be set to "Compliant".		
Converted Wetland	Same as FY 2013.		
Farm/Tract Eligibility	<b>IF FY 2013 value is...</b>	<b>AND PCW value was...</b>	<b>THEN...</b>
	<ul style="list-style-type: none"> <li>"Past Violation"</li> <li>"Reinstated"</li> </ul>		FY 2013 values will be rolled to FY 2014.
	not:	not reset to "Compliant"	
	<ul style="list-style-type: none"> <li>"Past Violation"</li> <li>"Reinstated"</li> </ul>	reset to "Compliant"	FY 2014 value will be set based on determinations and producer exceptions in Farm Records.

### 3 Rollover for Web-Based Software Applications (Continued)

#### C Eligibility System Rollover Information (Continued)

The 2008 Farm Bill AGI certifications/determinations for the following are **not** continuous and; therefore, are **not** rolled to the next FY:

- commodity program \$500,000 nonfarm income
- conservation program \$1 million nonfarm income
- direct payment \$750,000 farm income
- direct payment \$1 million total income.

Additionally, authorization for AGI provisions set forth in the 2008 Farm Bill expires on September 30, 2013. As a result, the FY 2013 values will be rolled to FY 2014 according to the following.

IF FY 2013 value is...	THEN FY 2014...
"Exempt"	value is set to "Exempt".
not "Exempt"	certification is set to "Not Filed".

For producers that have a violation, the rollover process is based on whether the violation has expired. The following rules apply for these determinations.

IF determination was...	THEN for FY 2013, if the producer...	THEN the FY 2014 determination is...
"Controlled Substance"	had "No Violation"	set to "No Violation".
	had any value other than "No Violation"	determined based on the "Year of Conviction". If the number of ineligible years has: <ul style="list-style-type: none"> <li>• expired, the producer's determination is set to "No Violation"</li> <li>• not expired, the producer's FY 2013 value is rolled to FY 2014.</li> </ul>
"NAP Noncompliance"	is "Compliant"	"Compliant".
	is "Not Compliant - COC"	determined based on the "Year of Violation". If the number of ineligible years has: <ul style="list-style-type: none"> <li>• expired, the producer's determination is set to "Compliant"</li> <li>• not expired, the producer determination is set to "Not Compliant – COC".</li> </ul>
"Fraud - Including FCIC Fraud"	is "Compliant"	"Compliant".
	is "Not Compliant"	determined based on the "Year of Violation" and then number of years of ineligibility. If the number of ineligible years has: <ul style="list-style-type: none"> <li>• expired, the producer's determination is set to "Compliant"</li> <li>• not expired, the producer determination is set to "Not Compliant – COC".</li> </ul>

### 3 Rollover for Web-Based Software Applications (Continued)

#### D Combined Producer

County Offices shall ensure that all combined attribution or “person” combination determinations are recorded in the Combined Producer software by **September 20, 2013**. Combinations recorded for subsidiary year 2013 are rolled to subsidiary year 2014, including common attribution payment limitation allocation amounts recorded according to 3-PL (Rev. 1), paragraphs 97 and 98.

#### E Business File

Farm operating plans recorded in the Business File application for 2013 are continuous and will be rolled to 2014 if the plan is in a “determined” status.

**Note:** A “determined” status indicates that the producer has signed CCC-902 and COC has made the applicable determinations on CCC-903.

County Offices **shall not** record determination dates unless COC has made at least 1 of the following determinations for the farming operation:

- “Actively Engaged in Farming”
- “Cash Rent Tenant”
- “Combined Attribution”.
- “Foreign Person”

#### F Payment Limitation

Payment limitation adjustments are not rolled from 1 subsidiary year to the next. These include:

- program adjustment decreases
- program adjustment increases
- inheritance adjustments.

### 4 Rollover for System 36 Software Applications

#### A Introduction

Although most applications are now web-based, rollover is still performed on System 36 for those programs that continue to be maintained in that environment.

With the FY 2014 subsidiary rollover process:

- FY 2009 eligibility records will **no** longer be accessible
- FY 2011 payment limitation allocations are **no** longer accessible
- FY 2014 records will be created according to the remainder of this paragraph.

## 4 Rollover for System 36 Software Applications (Continued)

### B Eligibility Information

All eligibility information is updated based on the values recorded in the web-based system. As a result, the rules specified in subparagraph 2 C apply for rollover of System 36 data.

See 3-PL for additional information on how information is downloaded from the web-based eligibility system to System 36.

### C Entity and Joint Operation Files

Notice PL-255 advised State and County Offices that users are no longer required to add or maintain information in the joint operation or entity files because options are now available in the Business File application to record member structure information for 2009 and 2010.

All web-based payment applications use the data recorded in the Business File application and updates from System 36 are no longer updated in the Business File application.

**Exception:** For programs that continue to be administered on System 36, the entity and joint operation file information, if needed for the program, **must** be updated on System 36.

Data recorded in the joint operation and entity files will roll to the 2014 subsidiary year in the same manner that has occurred in the past. After FY 2014 System 36 rollover is completed, users will be able to create, revise, or delete entity and joint operation file data for FY's 2010 through 2014. Updates to information in the entity and joint operation file:

- will also continue to be uploaded to the mainframe in case there are programs that need the information
- FY 2014 data updated on System 36 and uploaded to the mainframe **will not** be used for web-based payment applications
- will **not** be processed to determine if more than 3 permitted entities have been selected.

County Offices shall ensure that all known changes to FY 2009 entity and joint operation are updated in System 36 joint operation/entity file **before September 20, 2013**. County Offices will **not** have the ability to update System 36 joint operation and entity file information for FY 2009 after rollover.

**4 Rollover for System 36 Software Applications (Continued)**

**D System 36 Payment Limitation Allocation to Multi-County Producers**

For FY 2013, payment limitation allocations can be updated on System 36 for the following programs.

- “GRP/CSP” and “GRP/RP”
- “NAP”.

These programs are now administered in the web-based environment and there is no longer a need for County Offices to record multi-county payment limitation adjustments on System 36.

For the 2014 rollover process, all payment limitation allocation options will be disabled.